HOUSING MARKET INFORMATION

# RENTAL MARKET REPORT

## Yellowknife Highlights*

CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Spring 2013

Figure 1

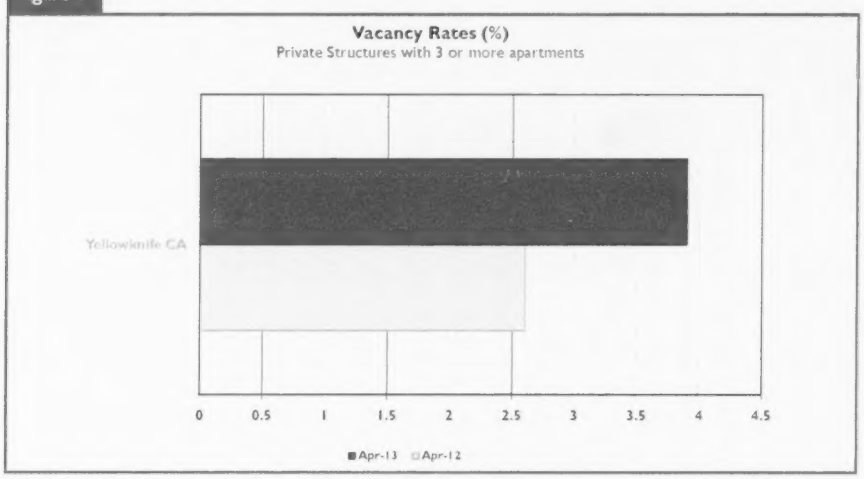
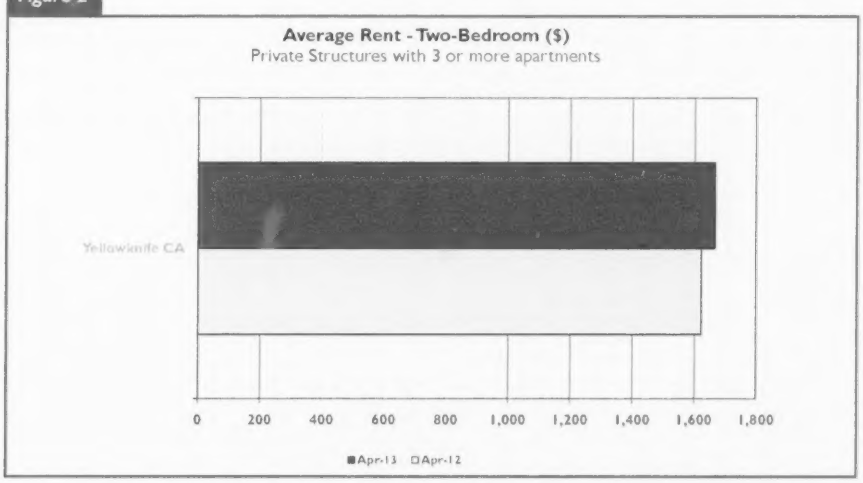



Figure 2




*Only centres with a population of 10,000 + are included in the survey.

## Highlights

- The apartment vacancy rate in Yellowknife increased to 3.9 per cent in April 2013, up from 2.6 per cent in April 2012.
- In April 2013, the average rent for a two-bedroom apartment in Yellowknife was $1,668 per month.
- In rental structures common to both surveys, the average rent for a two-bedroom apartment increased 4.5 per cent year-over-year.

Canada

*25 years of housing market intelligence you can count on*

CMHC SCHL
HOME TO CANADIANS

## Apartment vacancies increase in Yellowknife

According to the results of Canada Mortgage and Housing Corporation's (CMHC) Spring 2013 Rental Market Survey, the average apartment vacancy rate[1] in Yellowknife increased from 2.6 per cent in April 2012 to 3.9 per cent in April 2013. The increased outflow of migrants from the Northwest Territories to other jurisdictions and tenants making the move to homeownership led to the rise in vacancies. On a net basis, 969 people left the Northwest Territories to other provinces in 2012, prompting the increase in vacancies.

In April 2013, the apartment vacancy rate in Yellowknife was highest in bachelor units at 9.9 per cent. However, since bachelor units represent only two per cent of the rental universe, small movements to the number of vacant suites within this bedroom type cause sizeable changes to its vacancy rate. The lowest vacancy rate was found in two-bedroom suites, at 1.9 per cent. The vacancy rate was 6.0 per cent for one-bedroom units and 3.1 per cent for three-or-more bedroom suites.

Apartment vacancy rates for units with three-bedrooms rose from 1.2 per cent to 3.1 per cent between the April 2012 and April 2013 surveys. The vacancy rate for one-bedroom apartment units increased from 3.8 per cent in April 2012 to 6.0 per cent in April 2013. Given that these units represented 40 per cent of the rental stock surveyed, the rise in vacancies in this bedroom type had a strong impact on the overall vacancy rate.

At 1.9 per cent in April 2013, the vacancy rate for two-bedroom units remained unchanged from April 2012. The largest vacancy rate increase was recorded in bachelor units, rising from 2.7 per cent in April 2012 to 9.9 per cent in April 2013.

The apartment availability rate[2] in Yellowknife increased to 4.4 per cent in April 2013 from 2.7 per cent in April 2012. Bachelor units had the highest availability rate, at 9.9 per cent. The availability rate for one-bedroom units was 6.7 per cent. Two-bedroom and three-bedroom+ units had the lowest availability rates at 2.3 and 3.1 per cent, respectively

## Apartment rents move up

Apartment rental rates increased on a year-over-year basis despite the increase in vacancies. In structures common to both spring surveys[3], two-bedroom rents increased 4.5 per cent from April 2012 to April 2013. Renters of one-bedroom apartments saw a same-sample average rent increase of 3.2 per cent. The lowest increase in average same-sample monthly rents occurred among three-bedroom+ units, at 2.6 per cent. Bachelor units reported the highest same-sample rent increase, rising 6.8 per cent from April 2012 to April 2013.

The average monthly rent for two-bedroom apartments in Yellowknife was $1,668 in April 2013. Three-or-more bedroom units reported a monthly average rent of $1,818 in April 2013. One-bedroom units rented for $1,431, while bachelor suites rented for $1,138 per month in April 2013. The average monthly rent for all apartments in April 2013 was $1,568.

[1] Based on privately-initiated rental apartment structures of three or more units.

[2] A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant. As the definition of availability includes vacancy, the availability rate will always be equal to or greater than the vacancy rate. The availability rate can provide some insight into rental market conditions as it reveals the intentions of landlords and tenants on a short-term basis.

[3] When comparing year-over-year average rents, the age of the building needs to be taken into consideration because rents in newly-built structures tend to be higher than in existing buildings. By comparing rents for units that are common to both 2012 and 2013 Spring Rental Market Surveys, we can get a better indication of actual rent increases paid by most tenants.

## 1.1.1 Private Apartment Vacancy Rates (%) by Bedroom Type Yellowknife

| Centre | Bachelor | | 1 Bedroom | | 2 Bedroom | | 3 Bedroom + | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 |
| Yellowknife CA | 2.7 | 9.9 | 3.8 | 6.0 | 1.9 | 1.9 | 1.2 | 3.1 | 2.6 | 3.9 |

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

## 1.1.2 Private Apartment Average Rents ($) by Bedroom Type Yellowknife

| Centre | Bachelor | | 1 Bedroom | | 2 Bedroom | | 3 Bedroom + | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 |
| Yellowknife CA | 1,091 | 1,138 | 1,378 | 1,431 | 1,624 | 1,668 | 1,754 | 1,818 | 1,521 | 1,568 |

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \leq cv \leq 2.5$), b- Very good ($2.5 < cv \leq 5$), c - Good ($5 < cv \leq 7.5$), d - Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

## 1.1.3 Number of Private Apartment Units in the Universe by Bedroom Type Yellowknife

| Centre | Bachelor | | 1 Bedroom | | 2 Bedroom | | 3 Bedroom + | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 |
| Yellowknife CA | 43 | 43 | 709 | 707 | 834 | 832 | 169 | 165 | 1,755 | 1,747 |

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

## 1.1.4 Private Apartment Availability Rates (%) by Bedroom Type Yellowknife

| Centre | Bachelor | | 1 Bedroom | | 2 Bedroom | | 3 Bedroom + | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 | Apr-12 | Apr-13 |
| Yellowknife CA | 2.7 | 9.9 | 4.0 | 6.7 | 2.0 | 2.3 | 1.2 | 3.1 | 2.7 | 4.4 |

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

## 1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type Yellowknife

| Centre | Bachelor | | 1 Bedroom | | 2 Bedroom | | 3 Bedroom + | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Apr-11 to Apr-12 | Apr-12 to Apr-13 | Apr-11 to Apr-12 | Apr-12 to Apr-13 | Apr-11 to Apr-12 | Apr-12 to Apr-13 | Apr-11 to Apr-12 | Apr-12 to Apr-13 | Apr-11 to Apr-12 | Apr-12 to Apr-13 |
| Yellowknife CA | -3.9 | 6.8 | ++ | 3.2 | ++ | 4.5 | ++ | 2.6 | ++ | 3.7 |

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
++ Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

## TECHNICAL NOTE:

*Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):*

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

# METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data for all sampled structures.
The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports (fall survey only). The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

# DEFINITIONS

**Availability:** A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

**Rent:** The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

**Rental Apartment Structure:** Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

**Rental Row (Townhouse) Structure:** Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

**Vacancy:** A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

**Definitions of Census Areas referred to in this publication are as follows:**

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

Data presented in this publication is based on Statistics Canada's 2011 Census area definitions.

**Acknowledgement**

The Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, and building superintendents throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

# CMHC—HOME TO CANADIANS

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for more than 65 years.

Together with other housing stakeholders, we help ensure that the Canadian housing system remains one of the best in the world. We are committed to helping Canadians access a wide choice of quality, environmentally sustainable and affordable housing solutions that will continue to create vibrant and healthy communities and cities across the country.

For more information, visit our website at www.cmhc.ca or follow us on Twitter, YouTube and Flickr.

You can also reach us by phone at 1-800-668-2642 or by fax at 1-800-245-9274.
Outside Canada call 613-748-2003 or fax to 613-748-2016.

Canada Mortgage and Housing Corporation supports the Government of Canada policy on access to information for people with disabilities. If you wish to obtain this publication in alternative formats, call 1-800-668-2642.

The Market Analysis Centre's (MAC) electronic suite of national standardized products is available for free on CMHC's website. You can view, print, download or subscribe to future editions and get market information e-mailed automatically to you the same day it is released. It's quick and convenient! Go to www.cmhc.ca/housingmarketinformation

For more information on MAC and the wealth of housing market information available to you, visit us today at www.cmhc.ca/housingmarketinformation

To subscribe to priced, printed editions of MAC publications, call 1-800-668-2642.

©2013 Canada Mortgage and Housing Corporation. All rights reserved. CMHC grants reasonable rights of use of this publication's content solely for personal, corporate or public policy research, and educational purposes. This permission consists of the right to use the content for general reference purposes in written analyses and in the reporting of results, conclusions, and forecasts including the citation of limited amounts of supporting data extracted from this publication. Reasonable and limited rights of use are also permitted in commercial publications subject to the above criteria, and CMHC's right to request that such use be discontinued for any reason.

Any use of the publication's content must include the source of the information, including statistical data, acknowledged as follows:

Source: CMHC (or "Adapted from CMHC," if appropriate), name of product, year and date of publication issue.

Other than as outlined above, the content of the publication cannot be reproduced or transmitted to any person or, if acquired by an organization, to users outside the organization. Placing the publication, in whole or part, on a website accessible to the public or on any website accessible to persons not directly employed by the organization is not permitted. To use the content of any CMHC Market Analysis publication for any purpose other than the general reference purposes set out above or to request permission to reproduce large portions of, or entire CMHC Market Analysis publications, please contact: the Canadian Housing Information Centre (CHIC) at chic@cmhc.ca; 613-748-2367 or 1-800-668-2642.

For permission, please provide CHIC with the following information:
Publication's name, year and date of issue.

Without limiting the generality of the foregoing, no portion of the content may be translated from English or French into any other language without the prior written permission of Canada Mortgage and Housing Corporation.

The information, analyses and opinions contained in this publication are based on various sources believed to be reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibility.

# Housing market intelligence you can count on

25 years ans

FREE REPORTS AVAILABLE ON-LINE

- Canadian Housing Statistics
- Housing Information Monthly
- Housing Market Outlook, Canada
- Housing Market Outlook, Highlight Reports – Canada and Regional
- Housing Market Outlook, Major Centres
- Housing Market Tables: Selected South Central Ontario Centres
- Housing Now, Canada
- Housing Now, Major Centres
- Housing Now, Regional
- Monthly Housing Statistics
- Northern Housing Outlook Report
- Preliminary Housing Start Data
- Rental Market Provincial Highlight Reports
- Rental Market Reports, Major Centres
- Rental Market Statistics
- Residential Construction Digest, Prairie Centres
- Seniors' Housing Reports

**Get the market intelligence you need today!**

**Click www.cmhc.ca/housingmarketinformation to view, download or subscribe.**

On June 1, 2012, CMHC's Market Analysis Centre turned 25!

CMHC's Market Analysis Centre has a strong history as the Canadian housing industry's "go-to" resource for the most reliable, impartial and up-to-date housing market data analysis and forecasts, in the country.

CMHC's Market Analysis Centre e-reports provide a wealth of detailed local, provincial, regional and national market information.

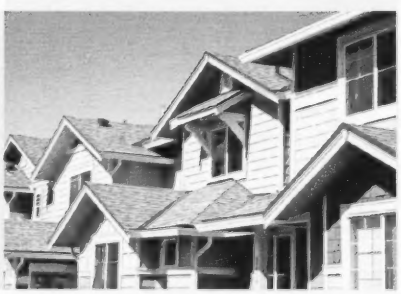
- **Forecasts and Analysis –** Future-oriented information about local, regional and national housing trends.
- **Statistics and Data –** Information on current housing market activities – starts, rents, vacancy rates and much more.

## Affordable Housing Web Forums

CMHC's Affordable Housing Web Forums are distance-learning seminars that bring interested participants and industry experts together using phone and web technology. You can participate, listen, see and learn without the expense of travelling.

Register on-line!

www.cmhc.ca/ahc



64523_2013_B01

17 04 13